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ABSTRACT

A study examined management perspectives on retraining workers and educational alternatives for such training. During the study, more than 300 senior human resource executives from Fortune 1500 firms across the nation were interviewed by telephone. Of those interviewed, 84 percent felt that their workers are concerned about such issues as: losing their jobs; dramatic changes in their present jobs; and their abilities to learn new job skills. When faced with the problem of skills obsolescence, 44 percent of those interviewed stated that they would be most likely to hire new employees with required skill rather than retrain existing employees. According to the executives interviewed, employees' willingness to be retrained and their existing skills were the two most crucial factors in managerial decisions concerning which employees to retrain. Although training and retraining programs varied widely from firm to firm, it appeared that, in general, retraining pressures are shifting increasingly to middle management. In all, 60 percent of those participating in the survey favored some sort of shared responsibility for the funding of retraining programs. Finally, 65 percent of the executives expressed confidence in workers' ability to continue to maintain high standards. (Appended to this report is more detailed information on the survey methodology and respondents.) (MN)

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ED246190

AMERICA AT WORK:

THE MANAGEMENT PERSPECTIVE ON TRAINING FOR BUSINESS

A Report From

ITT EDUCATIONAL SERVICES

CE039130

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PROLOGUE

One year ago ITT Educational Services prepared a report entitled "America At Work: The Evolving Role of Proprietary Vocational Education." It looked at the changing nature of work in the United States and how those changes were reshaping and redefining vocational education.

It was a look at working, learning and relearning through the eyes of American workers. That includes all of us who are experiencing, although perhaps in varying degrees, the "great American paradox" -- work skills being out of sync with tomorrow's and even some of today's available jobs.

We also did the report because it was clear from our own experience that people were increasingly looking to business training programs as an attractive re-education option. Enrollment in these programs is growing rapidly. Enrollment in private vocational schools alone showed 25 percent increases annually over the last few years.

This survey looks at the same subjects -- workers, jobs and vocational training -- but from the business perspective. Specifically, more than 300 senior human resource executives at Fortune 1500 firms were interviewed. What we hoped to gain was clearer insight into their perspectives toward retraining workers and educational alternatives. The survey was performed by Research & Forecasts, a nationally known research firm.

We have divided the report into several sections. In the appendix we have included detailed information on the methodology and respondents.

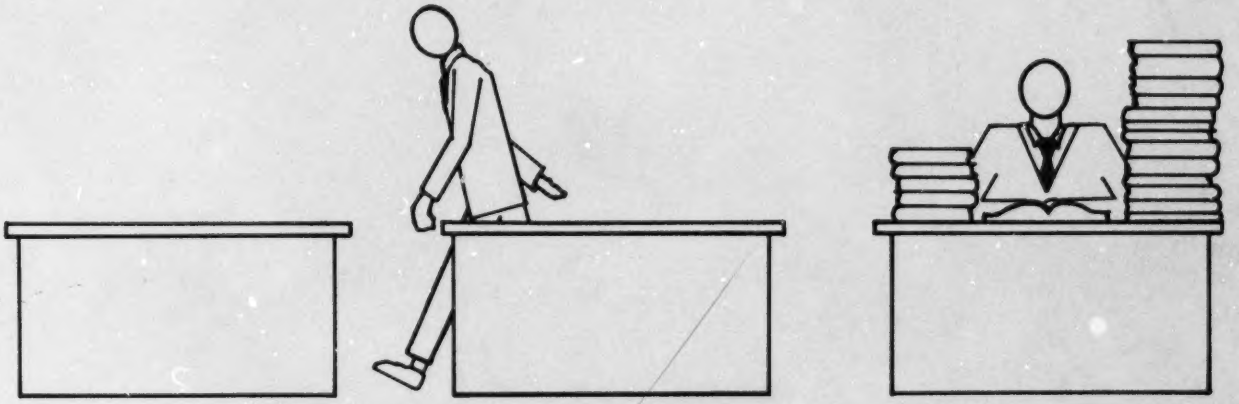
We have not attempted to analyze the data, although we have offered some observations in a separate epilogue to this report. We believe, when considered along with other data that has been generated recently on the issue of worker retraining, this survey will be useful to workers and employers in determining and evaluating their individual and mutual options in coping with the "American paradox."

Section 1

Job Loss, Change Concern Workers Most

Are employees concerned about the following issues?

Job Loss, Change Concern Workers Most



Losing their Jobs

44%

Fear of change

39%

Abilities to learn new skills

27%

Experts agree the work place in the U.S. is changing rapidly and dramatically. Change is now the rule, not the exception for the American worker. Human Resources Directors (HRDs) say workers fear this change. In fact, 84 percent of those surveyed say their workers are at least somewhat concerned.

This fear of change manifests itself in many ways. Seventy-eight percent (78%) of the HRDs said their employees are concerned about learning new skills.

Eighty-two percent (82%) of the respondents also concluded their employees are at least somewhat afraid of losing their jobs.

Table 1.1

How concerned are most of your employees about the following issues related to skills obsolescence and retraining?

	Very Concerned %	Not too Concerned %	Not at All Concerned %	DK/ NA %
Losing their jobs	44	38	14	3
Fear of change	39	45	10	5
Their own abilities to learn new skills	27	51	16	6
Going back to a classroom environment to learn new skills	18	45	26	11
Lack of time to spend on retraining	16	42	33	9

Although there is an overriding fear of change, 74 percent of the respondents believe their employees are positively inclined toward retraining, perhaps because these employees recognize retraining could ultimately keep them employed.

Table 1.2

Are most employees positively inclined toward retraining or is the overall mood one of resistance?

	%
Positively inclined	74
Resistance to change	12
Even mix	8
DK/NA*	6

*The number of respondents is 320 for all frequency tables in this report. "DK/NA" stands for "don't know/no answer" and will be abbreviated in all tables.

Attitude often is a factor that determines the confidence an employee has in his ability to learn new skills, according to those surveyed.

Respondents say 58 percent of the employees who have a positive attitude toward retraining are not too concerned about their ability to learn new skills. Fifty-nine percent (59%) say those resistant to retraining are very concerned about their ability to learn new skills.

Attitudes toward retraining also affect fear of going back to the classroom (Table 1.4), HRDs say. Fifty-one percent (51%) of those who HRDs say are positive about retraining are not concerned with going back to the classroom, while 41 percent who are resistant toward retraining are said to be very concerned about going back to school.

Table 1.3

Are your employees concerned about their own ability to learn new skills?

	Employees' Attitude Toward Retraining		
	Positive %	Resistant %	Even Mix %
Very concerned	23	59	36
Not too concerned	58	38	50
Not at all concerned	19	3	14
(Number of respondents)	(229)	(37)	(22)

Table 1.4

Are your employees worried about going back to a classroom environment?

	Employees' Attitude toward Retraining		
	Positive %	Resistant %	Even Mix %
Very concerned	18	41	17
Not too concerned	51	41	55
Not at all concerned	31	18	28
(Number of respondents)	(221)	(34)	(18)

Certain industries are hit harder by technological and economic changes. Many experts say the U.S. is moving away from a manufacturing-based economy to a service-oriented one.

Do employees in service fields feel less threatened by skills obsolescence? That is unclear.

Eighty-eight percent (88%) of respondents from manufacturing companies said their employees were at least somewhat concerned about losing their jobs. Seventy-one percent (71%) from service companies shared this concern.

Interestingly, only 29 percent of the respondents in service industries and 12 percent in manufacturing industries say that employees are not at all concerned about losing their jobs. Regardless of type of industry, the question of job loss concerns most workers.

Eighty-four percent (84%) of the HRDs questioned were from manufacturing while 15 percent were from service-related businesses.

Table 1.5

Are your employees concerned about losing their jobs?

	Service Companies %	Manufacturing Companies %
Very concerned	29	48
Not too concerned	42	40
Not at all concerned	29	12
(Number of respondents)	(48)	(261)

Section 2

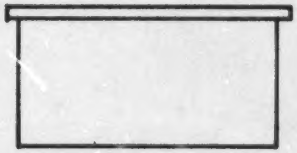
Replacing, Transferring, Prevalent Approaches to Skills Obsolescence

How has your company dealt with skills obsolescence?

Replacing, Transferring, Prevalent Approaches to Skills Obsolescence

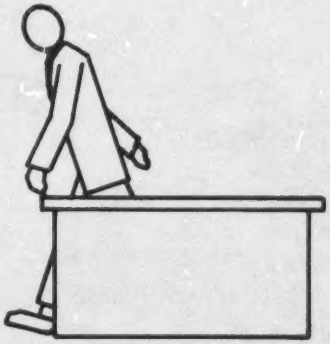
Hired new skilled employees

44%



Reduced number of employees

40%



Switched employees into jobs requiring no additional training

40%

Retrained employees for new positions

36%

Section one examined workers' concerns about job loss and change. Are their concerns justified? How do businesses deal with workers whose skills have become obsolete?

There is no clear-cut answer to those questions. Companies appear to be most likely to hire new employees with the required skill (44%). They also switch employees into new positions that require no additional skills (40%) or reduce the number of employees (40%). None of these options benefit present workers. Indeed, the workers' concern that they may lose their jobs may be justified.

But, for employers, these solutions to skills obsolescence may not be viable long-term alternatives. Experts say 90 percent of those who will be employed in 1990 are already working today. There simply may not be enough new employees available to continue relying on these approaches.

Companies may have to put more aggressive retraining programs in place. Many have started. Ninety-four percent (94%) of those surveyed do retrain workers, at least in a few instances. But at the present time, retraining is not the most consistently used solution for coping with workers' obsolete skills.

Table 2.1

How has your company dealt with skills obsolescence? Have you:

	Yes, Consistently %	Only in a Few Instances %	No %
Hired new employees with the required skills	44	37	20
Switched some employees into new positions that required no additional skills	40	38	21
Reduced the number of employees	40	28	32
Helped employees find new employment outside the company	38	22	39
Switched some employees into new positions that required additional training	36	58	6

The development of more aggressive business retraining programs and the need for employees to develop multiple skill capabilities are probably here to stay. Ninety-six percent (96%) of the HRDs say their company has been influenced by the present technological and economic environmental changes that affect job skills. The same factors that have created today's skills/jobs mismatch are likely to continue, according to 80 percent of the HRDs surveyed.

Table 2.2

To what degree has your company's operations been influenced by technological and economic changes affecting job skills?

	%
A great deal	29
Somewhat	47
Only a little	20
Not at all	3
DK/NA	0

Table 2.3

Will changes in required skills continue to be an issue at your company, or have you reached a stabilized position in this regard?

	%
Problem will continue	80
Stabilized	17
Never was a problem	2
DK/NA	1

How do companies already influenced by technological and economic changes handle workers with obsolete skills?

A majority (57%) of firms that have been influenced a great deal by technological changes have switched employees into new positions that require additional training. Companies that have been somewhat or only a little influenced by technological changes seem to use other methods for dealing with skills obsolescence when the problem occurs.

Table 2.4

Have you switched some employees into new positions that required additional training?

	Company Influenced by Technological Changes			
	A Great Deal %	Somewhat %	Only a Little %	Not at All %
Yes, consistently	57	30	23	0
Only in a few instances	42	64	65	0
No	1	6	12	0
(Number of respondents)	(92)	(152)	(66)	(0)

Deciding how to structure company retraining programs can be challenging. How do companies decide which retraining approach may work for them?

Half of the companies (50%) say managers and employees work together in a participatory system to deal with these issues. Forty-two percent (42%) say managers and employees work separately.

Table 2.5

At your company, do you have a participatory management program in which employees and managers work together to devise solutions to the problems of skills obsolescence, or do they usually work separately to deal with the issues?

	%
Managers and employees work together	50
Managers and employees work separately	42
DK/NA	8

HRD responses indicate collaboration can be important in developing positive worker attitudes toward retraining. In companies where management and employees worked together to devise solutions, 58 percent said their employees were positive about retraining. Where they worked separately, 71 percent said employees were reportedly resistant to retraining programs.

While these figures indicate participatory management improves employees' attitudes, it may be a reciprocal arrangement. Employees' positive attitudes may lend themselves to a participatory management style.

Table 2.6

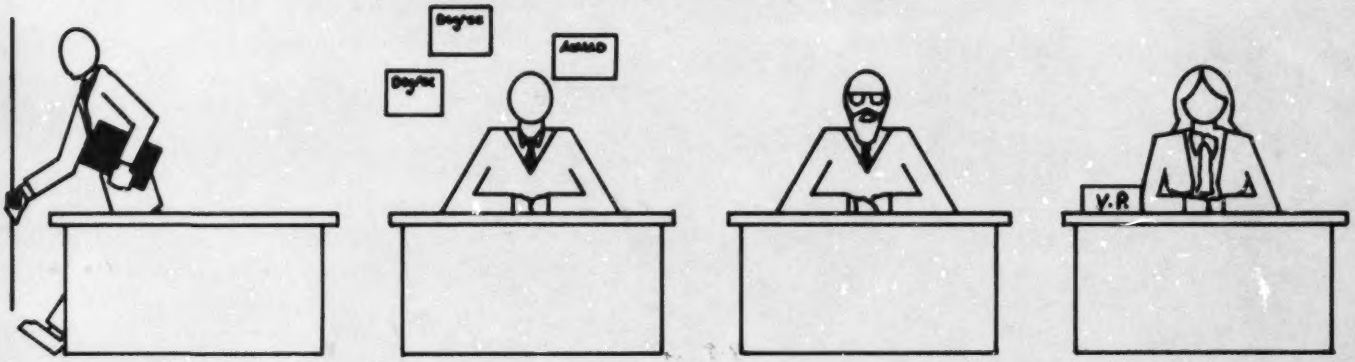
How Company Deals with Skills Obsolescence	Employer Perception of Employees' Attitude Toward Retraining		
	Positive %	Resistant %	Even Mix %
Management and employees work together	58	29	65
Management and employees work separately	42	71	35
(Number of respondents)	(214)	(34)	(23)

Section 3

Employee Attitude Crucial For Retraining Programs

What factors are important in deciding which employees to retrain?

Employee Attitude Crucial For Retraining Programs



Willingness to be retrained

70%

Employee's skills

59%

Company tenure

38%

Employee's position within organization

26%

In section two, HRDs said 74 percent of the workers are positively inclined toward retraining. Yet, only 36 percent of the companies surveyed consistently retrain employees. Obviously, all employees are not given the same opportunity to be retrained. How do companies choose employees for retraining programs?

A majority of HRDs (70%) said employee willingness to be retrained was very important in deciding who receives training, followed by type of skills the employees currently possess (59%). HRDs said the two least important factors in deciding who to retrain were employees' educational background (15%) and age (6%).

Table 3.1

How important are each of the following factors in deciding which employees to retrain?

	Very Important %	Somewhat Important %	Not Important %	DK/ NA %
Willingness to be retrained	70	22	5	2
Type of skills employees currently possess	59	34	4	3
Length of time the employee has been with the company	38	40	19	3
Employee's current position within the organization	26	45	26	3
Employee's educational background	15	52	29	4
Employee's age	6	20	71	3

Section 4

Retraining Pressure Shifting To Middle Managers

Which employees will need retraining five years from now?

Retraining Pressure Shifting to Middle Managers

Middle Management

42%

Technicians

38%

Secretarial/Clerical

30%

Eighty percent (80%) of the HRDs surveyed believe changes in the work force will continue.

Which workers are suffering most? Currently, 54 percent of the HRDs say technicians and 40 percent say secretarial/clerical workers are most in need of retraining.

However, five years from now the situation may change. Forty-two percent (42%) of the HRDs say middle managers will be most in need of retraining. Retraining needs will decline for technicians (38%) and secretarial/clerical workers (30%).

Table 4.1

Whose jobs are affected the most by the need for worker retraining in your organization?

	%
Senior management	9
Middle management	29
Secretarial/clerical	40
Technicians	54
Other workers	24

Table 4.2

Which jobs will be affected most five years from now?

	%
Senior management	12
Middle management	42
Secretarial/clerical	30
Technicians	38
Other workers	17

(17)

Many human resources directors themselves have anticipated this need for retraining middle and even senior management. Most (94%) have either upgraded their own skills or are in the process of doing so now.

Table 4.3

Have you upgraded your skills in the last five years?

	%
Yes, have completed training	72
I am in the midst of training	22
Have thought about it but have not yet begun	1
No	4
DK/NA	1

Not surprisingly, improving computer literacy appears to be a priority to HRDs. Seventy-two percent (72%) have upgraded their skills in this area.

Table 4.4

Has such upgrading involved developing or improving computer literacy skills?

	%
Yes	72
No	28
DK/NA	0

Section 5

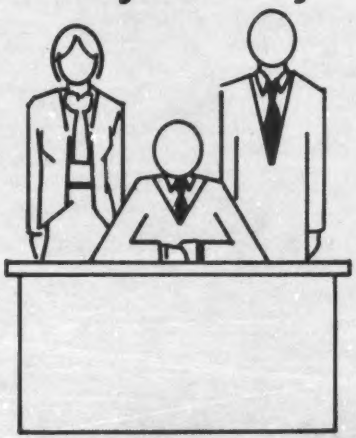
Training Programs Vary Widely

Who implements worker retraining programs?

Training Programs Vary Widely

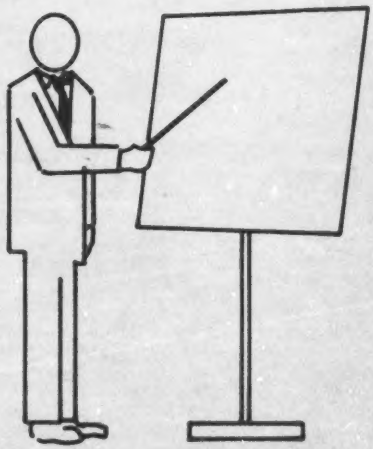
Existing personnel

29%



Additional personnel hired to conduct training

2%



Employees trained externally

3%

Some combination of the above

62%

What types of retraining programs do firms prefer and have in place? According to those surveyed, there is no one most consistently used method.

Perhaps this is part of the reason businesses are prone to choose options other than retraining to solve skills obsolescence problems.

A majority of the HRDs (62%) said they use a combination of existing personnel, new personnel and outside sources to train employees. Those who employ a single method of retraining most often use existing personnel. But less than one-third of the companies (29%) use this approach exclusively.

Table 5.1

At your company is worker retraining being carried out by:

	%
Existing personnel	29
Hiring additional personnel to conduct the training	2
Training employees externally	3
Some combination of the above	62
No retraining is currently taking place	3
DK/NA	2

Although 62 percent of the HRDs use a combination of sources to accomplish retraining, they say their firms prefer managing their own training problems themselves, without outside intervention.

Table 5.2

The issues related to technological change, skills obsolescence and worker retraining are of interest to many groups. At your firm, have the changes been dealt with internally only, or are labor unions, community groups, government agencies or other external sources involved as well?

	%
Changes have been dealt with internally only	59
External groups have been involved	40
DK/NA	1

Table 2.6 indicates that management style has an effect on employee attitudes. Those companies who use outside training resources seem to retrain more often than companies with solely internal programs.

Of those companies that utilize external sources, 44 percent say they consistently retrain. Thirty-two percent (32%)of companies with internal programs consistently retrain.

Table 5.3

Have you switched some employees into new positions that required additional training?

	Type of Corporate Retraining Program	
	Internal %	External %
Yes, consistently	32	44
Only in a few instances	61	53
No	7	3
(Number of respondents)	(183)	(124)

Table 5.3 suggests companies with external training programs may be more sensitive to their employees' retraining needs. Do companies who have external vs. internal programs provide more help for terminated employees in finding new employment?

Of those companies that work with external organizations to train employees, a majority (52%) consistently help employees whose skills are no longer needed find new employment outside the company.

Only 29 percent of those with internal training programs consistently provide this type of assistance.

Table 5.4

Have you helped employees find new employment outside the company?

	Type of Corporate Retraining Program	
	Internal %	External %
Yes, consistently	29	52
Only in a few instances	25	18
No	46	30
(Number of respondents)	(182)	(124)

There are many types of external training services available to companies. HRDs were asked what type of retraining programs they would rely on.

Sixty-eight percent (68%) of the respondents say they are very or somewhat likely to use outside vendors such as private vocational schools. Fifty-five percent (55%) cited industry trade associations as the second most likely source for retraining.

Table 5.5

How likely would you be to rely on the training services provided by the following?

	Very or Somewhat Likely %	Unlikely or Very Unlikely %	DK/ NA %
Outside vendors offering retraining services	68	29	4
Industry trade associations	55	41	4
American Management Associations	38	58	4
Chambers of Commerce	19	76	4

What types of outside sources are used most often? HRDs named vocational schools, both public and private, most, followed by two-year community colleges.

Table 5.6

With reference to outside vendors, for your industry, where does most worker retraining take place?

	%
Public & private vocational schools	64
At two-year community colleges	44
At universities	37
Other	26
Through correspondence courses	20

The majority of programs provided by outside vendors are not customized. HRDs say of those that supply outside training, two-year community colleges are most likely (49%) to provide customized training programs. Privately owned vocational schools rank second (46%). Universities are least likely to tailor their training programs (34%) for specific firms.

Table 5.7

	Customized for Your Employees		
	Yes %	No %	DK/NA %
Two-year community colleges	49	50	1
Privately owned vocational schools	46	52	2
Publicly funded vocational schools	44	54	2
Through correspondence courses	38	61	2
At universities	34	64	2

The larger the company, the more likely it is to have a customized program, especially at private vocational schools. Seventy-five percent (75%) of those companies with more than 8,000 employees have customized programs compared with 36 percent of those companies with fewer than 350 employees.

Table 5.8

Retraining at Private Vocational Schools Customized for Employees	Total Number of Employees Responsible For: Less than 350 %	351 to 2,500 %	2,501 to 8,000 %	More than 8,000 %
Yes	36	26	53	75
No	64	74	47	25
(Number of respondents)	(25)	(19)	(15)	(20)

Although vocational schools and community colleges are most often used for outside employee training, employers agree they would prefer training to be done on site.

Table 5.9

If you used an outside firm for retraining your employees, where should that retraining occur?

	%
On site	56
Off site	11
Both	26
DK/NA	6

Part of survey respondents' reluctance to aggressively use retraining to cope with skills obsolescence may be because they believe displaced workers need to be more aggressive in helping themselves. Forty-two percent (42%) of the HRDs surveyed believe displaced workers should take a more active role in re-entering the work force. This view is selected at least twice as often as others listed.

This also may explain why HRDs put so much weight on employee attitude when selecting participants in their own programs.

Table 5.10

With which of the following statements do you most agree? To deal with redundant worker retraining:

	%
Displaced workers must assume more responsibility for re-entering the work force	42
We need a comprehensive national program	24
Existing programs are adequate	22
None of the above	12

Section 6

Funding, Shared Responsibility

Who should fund worker retraining?

Funding, Shared Responsibility

The Employer

Government Unions PICs Employee

38%

Some Combination of the Above

60%

With all the retraining options available, who do employers believe should pay for them?

A majority of respondents (60%) believe some combination of the employer, private industry councils (PICs), the employee, the government and unions should be responsible for funding worker retraining. Funding by the employer exclusively was the second choice (38%). While a large number of HRDs said it was important for employees to take a more active role in re-entering the work force (Table 5.11), apparently they don't believe the employee should bear the burden for paying for this retraining.

Table 6.1

In your opinion, who should have the major responsibility for funding worker retraining?

	%
The employer	38
PICs, or Private Industry Councils	1
The employee	0
The government	0
Unions	0
Some combination	60

The idea that employers are more interested in sharing training costs than responsibilities is clearer in Table 6.2. Only those who believe existing approaches are adequate also only believe the employer should be the dominant funder.

Table 6.2

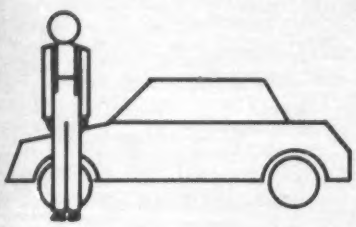
Who Should Fund Worker Retraining:	Attitude Toward Worker Retraining Programs		
	National Program	Existing Programs Adequate	Workers' Responsibility
	%	%	%
The employer	27	61	30
PICs or Private Industry Councils	1	0	0
The employee	0	0	0
Unions	0	0	0
Some combination of the above	72	39	68
(Number of respondents)	(77)	(71)	(133)

Section 7

Executives Confident In Work Force

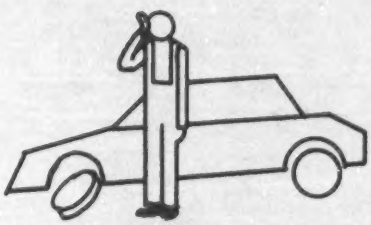
How confident are executives that workers can maintain high quality standards?

Executives Confident in Work Force



A Great Deal

65%



Some

28%

Only A Little

5%

Although businesses do not consistently retrain employees for new jobs, it is interesting that a majority (65%) of HRDs express confidence in the American work force to meet the challenge of skills obsolescence and quality work.

Table 7.1

How much confidence do you have that the American work force can maintain excellent quality standards?

	%
A great deal	65
Some	28
Only a little	5
None	1
DK/NA	1

That feeling of confidence in the work force is enhanced the longer the respondent has held his position.

Table 7.2

How much confidence do you have that the American work force can maintain excellent quality standards?

	Length of Service in Respondents Present Position			
	1 to 2 Years %	3 to 4 Years %	5 to 10 Years %	Over 10 Years %
A great deal	60	67	68	75
Some	32	31	25	13
Only a little	7	2	5	12
None	1	0	2	0
(Number of respondents)	(101)	(97)	(94)	(24)

EPILOGUE

Helping individuals prepare for employment has always been important to us at ITT Educational Services (ITTES). It is the reason the company was formed in 1968. As the American economy continues to change from a labor-intensive environment to a high-technology and service orientation, we believe the availability of quality job training and retraining will become even more important.

Some 12 million people are currently caught in the "American paradox" -- capable people with inadequate skills to fill jobs that actually exist in today's growth fields.

Fortunately, America's private job-training system can provide individuals a viable training alternative.

As one of the nation's largest private educational systems, we are constantly looking for ways to diversify our programs to better equip the work force with the skills necessary to meet the changing needs of today's businesses.

Our programs are designed to provide customized education for employees in individual businesses as well as broad vocational training in fields ranging from electronic engineering technology to business management.

With all of the current discussion about retraining, we commissioned this survey of a cross section of 322 human resources directors in Fortune 1500 firms to take a hard look at what business is doing about retraining issues and to identify where executives believe they may need help.

Our own review of the survey results has led to several observations we would like to share.

1. BUSINESS IS NOT ADVERSE TO RETRAINING EMPLOYEES.

   About $30 billion dollars per year is spent on retraining. Most of those dollars are spent for on-site programs. These allow valuable employees to readily transfer their new knowledge to their new jobs. Business executives are often frustrated in their attempts to find the training approach that is most in tune with their employees' and business' needs. The search can be costly. Many are turning to private business training resources like ITTES to help them devise creative, effective training solutions.

2. CURRENTLY BUSINESS IS PRONE TO REPLACE RATHER THAN RETRAIN WORKERS.

   Although companies exhibit a willingness to help existing employees acquire new skills, and do spend money for retraining, firms are not certain of the best approach. More often they tend to replace workers who have inadequate skills with more qualified individuals. This may not be a viable long-term strategy. There simply may not be enough new work-force entrants in the future to allow for continued reliance on new hires. Retraining workers, if it's fast and efficient, may be a more attractive long-term solution.

3. A POSITIVE ATTITUDE TOWARD JOB RETRAINING MAY HELP KEEP WORKERS EMPLOYED.

Many employees are concerned about losing their jobs because of the changing economy. But many of these individuals are also afraid of trying to acquire new job skills. Human resources directors indicate that a willing and enthusiastic attitude ensures better future opportunities for employees. The challenge facing both workers and employers may be the creation of a new mind-set. Retraining is often better viewed as job enriching rather than job saving. This perspective can make our individual transitions from one job to another throughout life smooth and rewarding. At ITTES, this is a perspective we present to all of our students.

4. MIDDLE MANAGERS NEED RETRAINING NOW TO LEARN SKILLS THEY WILL NEED IN THE FUTURE.

Current retraining programs generally focus on technical and clerical workers. Yet, this is no time for middle managers to be content with their skills. They may be next. The key to their survival may be how well they anticipate coming changes and adapt. Fortunately, many private training companies already offer programs to help middle managers avoid future obsolescence. Those programs range from computer literacy to strategic planning.

5. EMPLOYERS AND EMPLOYEES NEED TO SHARE RESPONSIBILITY FOR RETRAINING PROGRAMS.

No single source can adequately fund, implement and manage quality worker-retraining programs. Some combination that includes the employer, the employee, the government, unions or private industry councils along with vocational schools, both private and public, is an optimum approach. Regardless, it is individuals who must shoulder the major responsibility for their own destiny. Their challenge is to find the resources that can provide them counsel on retraining alternatives, curricula and recommendations for jobs they have both the inclination and capabilities to hold. Private business training firms like ITTES are uniquely qualified to fulfill these needs.

We believe today's workers are well informed about their career obstacles and even their future choices. Their challenge is to motivate themselves to take the first step into the unknown -- retraining.

That can be frightening. It's certainly not something many thought would be necessary.

Fortunately, vocational and business training can make the transformation from worker to student and back to worker less traumatic and far more productive. Small classes, hands-on experience and personal attention are the essential reasons why.

At ITTES, our commitment to people and work has made us a leader in the vocational-education field.

According to recently released statistics, 90 percent of those who will be employed in 1990 are already working today. It is unlikely many of their jobs exist now. We believe the challenge to the individual is to use vocational training to make the transition from one job to another smoothly and effectively. We at ITTES are proud to serve as that educational catalyst.

Appendix A

DEMOGRAPHICS

A plurality of the respondents (31%) have been working for their companies between four and nine years. The breakdowns were approximately equal among the other categories (20% for each).

Table 8.1

How long have you been at the company?

	%
1 to 3 years	23
4 to 9 years	31
10 to 19 years	25
Over 20 years	20

When asked how many years they have been in their position, the distribution of HRDs was fairly evenly divided. Approximately one-third have held their present position between one to two years, three to four years, and five to ten years. Only 8 percent say they have been a resource director for over ten years.

Table 8.2

How long have you held this position?

	%
1 to 2 years	32
3 to 4 yars	31
5 to 10 years	30
Over 10 years	8

A plurality (33%) of HRDs interviewed are responsible for less than 350 employees.

Table 8.3

For how many employees are you responsible?

	%
Less than 350	33
351 to 2,500	23
2,501 to 8,000	21
More than 8,000	23

The majority (51%) interviewed are between the ages 35 and 49, 29 percent are over the age of 50, while 20 percent are between 18 and 34.

Table 8.4

	%
18 to 34	20
35 to 49	51
50 and over	29

A majority (55%) of resources directors have post-graduate education. Thirty-four percent (34%) have four years of college education, while 7 percent have two years of college education and 4 percent have a high school diploma.

A large majority (84%) of the resources directors in this survey work for manufacturing companies. Fifteen percent (15%) work in the service industry.

Table 8.5

What is the last grade of formal schooling you completed?

	%
High school graduate	4
Two years of college	7
Four years of college	34
Post-graduate	55

Table 8.6

Is your company a service or manufacturing company?

	%
Manufacturing	84
Service	15
DK/NA	1

Appendix B

METHODOLOGY

This report presents the findings of a telephone survey conducted among a randomly generated sample of 322 interviews with the most senior executive in charge of human resources at Fortune 1500 firms.

Interviewing for this project was completed during the period of July 13, 1983, and August 4, 1983, by members of Research & Forecast's data collection staff. All interviews were conducted from Research & Forecast's central WATS telephone interviewing facilities. Only one interview was conducted per company. Interviewing was carried out between the hours of 9 a.m. and 6 p.m.

As required by the Code of Standards of the Council of American Survey Research Organizations, we maintain the anonymity of our respondents. No information will be released that in any way will reveal the identity of a respondent.

Research & Forecasts has excercised advanced methods in the preparation of this information in order to ensure result accuracy.

Quality Control Measures

Quality control measures are applied in every phase of the data gathering:

* Interviewers are hired and trained in person and their work is checked regularly for accuracy and validity.

* Interviewers and interviewing supervisors are carefully briefed regarding the questionnaires and interviewing procedures.

* Since interviewing is conducted from a central location, the interviewers are monitored constantly.

* At least 10 percent of all interviewees are called back by survey supervisors to ensure the questionnaires were correctly filled out.

* Questionnaires are prepared for data processing by experienced coders, under the supervision of the survey director.

* The process of data is subject to rigorous internal checks designed to detect both machine and human error.

In order to ensure respondents represented a random sample, every effort was made to reach and complete an interview with a qualified respondent at each number. Interviewers made one initial and at least three call-backs to each telephone number that had neither yielded a completed interview nor been disqualified.

Overall, interviews achieved a 60 percent response rate, comparable to the rates reported by other professionals in the field of survey research.